



## *Report to the Auburn City Council*

Action Item

6

Agenda Item No.

City Manager's Approval

**To:** Mayor and City Council  
**From:** Robert Richardson, City Manager  
**Date:** October 26, 2009  
**Subject:** Implementation of the last, best and final offer with the Auburn Firefighters Association

### **The Issue**

Shall the City Council implement the last, best and final offer with the Auburn Firefighters Association?

### **Conclusion and Recommendation**

That the City Council, by resolution, implement the attached last, best and final offer with the Auburn Firefighters Association.

### **Background**

For many months the City has conducted negotiations with the Auburn Firefighters Association to address the impacts of the City's fiscal constraints. Without coming to agreement both parties met with a mediator who ultimately declared the negotiations to be at impasse. Due to the existing fiscal limitations of the City and the impasse, it is recommended that the Council implement the attached last, best and final offer.

### **Fiscal Impact**

Impacts meet current budgetary guidelines.

### **Attachments**

1. Resolution of the Auburn City Council Approving Terms and Conditions of Employment for Employees of the Auburn Firefighters Association represented by the International Association of Firefighters.
2. City of Auburn Last, Best and Final Offer July 30, 2009

## ATTACHMENT 1

**Resolution No.  
Auburn City Council**

**Date: October 12, 2009**

**RESOLUTION OF AUBURN CITY COUNCIL APPROVING TERMS AND CONDITIONS  
OF EMPLOYMENT FOR EMPLOYEES OF THE AUBURN FIREFIGHTERS  
ASSOCIATION REPRESENTED BY the INTERNATIONAL ASSOCIATION OF  
FIREFIGHTERS (IAFF)**

WHEREAS, the Auburn Firefighters Association represented by (IAFF) is a recognized employee organization representing members of the Auburn Firefighters Association;

WHEREAS, the Memorandum of Understanding (MOU) between the City and the Auburn Firefighters Association expired June 30, 2009;

WHEREAS, the City and Auburn Firefighters Association began meeting and conferring over the terms of a successor MOU in March, 2009 in accordance with Government Code 3500 et seq;

WHEREAS, the City and Auburn Firefighters Association were unable to reach agreement on the terms for a successor MOU in negotiations and through the impasse procedure prescribed by City's Employee Relations Policy;

WHEREAS, the City has satisfied its obligation under Government Code Section 3505 and the City Employee Relations Policy;

WHEREAS, your Council has the authority under California Statute (G.C. 3505.4) and the City's Employee Relations Policy to unilaterally implement the terms and conditions of its last best and final offer, as presented to Auburn Firefighters Association during negotiations; and

WHEREAS, the City Manger recommends that your Council exercise its authority to implement its last best and final offer upon employees represented by Auburn Firefighters Association;

NOW, THEREFORE, BE IT RESOLVED that effective October 12, 2009 this Council hereby authorizes the City Manager to unilaterally implement the terms reflected in the City's last best and final offer presented to during ne Auburn Firefighters Association gotiations, which are incorporated by reference herein and on file with the City Clerk; and

Council Members:

\_\_\_\_\_

Ayes: \_\_\_\_\_ Noes: \_\_\_\_\_ Absent: \_\_\_\_\_ Abstain: \_\_\_\_\_

SO ORDERED

## ATTACHMENT 2

## *CITY OF AUBURN LAST, BEST AND FINAL OFFER JULY 30, 2009*

*The City's operating budget is entirely dependent upon the economic conditions that prevail in the community and legislative actions of the State of California. Given the continuing severe economic recession, and its unpredictable impact on the City's budgeted revenues and expenditures, the following Cost Savings Plan outlined below will effective upon adoption by the City Council and beginning with the first pay period following such approval. The Cost Savings Plan shall automatically terminate after twenty-four pay periods from the date the City Council approves by Resolution the Cost Savings Plan.*

### ***Cost savings Plan***

*(a.) In the event the City's operating budget during Fiscal Year 2009-2010 suffers a forecasted deficit due to forecasted shortfalls in sales tax and property tax revenues, and/or from legislative action by the State that reduces budgeted revenues, the following Cost and/or increases in CalPERS employer contribution rates primarily due to CalPERS investment losses, the Cost Savings Plan will go into effect for all employees beginning the first pay period in July 2009.*

*(b.) City and Association agree that during the term of this agreement the City's budgeted net operational revenues will be reviewed each quarter beginning with the quarter ended December 2008, and if such forecasted revenues decline from forecasted expenditures by more than one percent (1%), the City shall calculate the forecasted budget deficit, and divide such loss by each budgeted position or portion thereof, to arrive at a dollar amount for each employee. Such dollar amount shall not exceed three point one five (3.15) percent of the employee's base salary and nine (9) percent of the employee's PERS contribution. Each employee shall have an equivalent dollar amount reduction in the employee's obligation for PERS retirement premiums currently paid for by the City.*

*(c.) In exchange for such reduction, the employee shall receive the equivalent mandatory time off credits which will be shown on the employee's pay record. Such credits shall not exceed ten percent (10%) of the employee's base salary. MTO shall be available to use the second pay period after it is accrued. MTO credits shall have no cash value, but may be used any time during the employee's employment with the City. MTO credits shall not be paid upon an employee's termination from City employment for whatever reason. The use of MTO shall be governed by the same rules governing the use of vacation time*

*(d) If such forecasted revenues exceed forecasted expenditures by more than one percent, the City and Association agree to restore the reduction in the employee's obligation for PERS retirement premiums and base salary to the extent of the improvement in its forecasted net operating revenues. Any restoration shall be effective the first pay period following the City Council's approval of the restoration plan.*

*(e.) If such forecasted revenues fall more than budgeted (With the Cost Savings Plan in place), and further reductions in employee costs are recommended by the City Council, the City agrees to reopen negotiations.*

### ***HOURS OF WORK AND OVERTIME***

#### ***A. Hours of Work***

1. *City fire protection shall be staffed all twenty-four (24) hours on all days of the year including Saturday, Sunday and holidays, including proclaimed office closure by the President or Governor for City employees.*
2. *Fire Department shift personnel covered under this Memorandum of Understanding shall work a 56-hour work week (average), which shall consist of working 24-hour shifts in each 18-day work cycle, on the formula of two (2) shifts on duty, four (4) shifts off duty. Any change in scheduling shall be agreed upon by the Association and the Fire Chief.  
(X= on duty, O= off duty: XXOOOO, REPEAT)*
3. *Shifts shall begin and end at 8:00 a.m. each day. The work period for employees shall be twenty-four (24) hours per day. Daily staffing levels for the fire department will be three (3) full time employees based upon the 2009 Fire Department Reorganization Plan.*
4. *Employees will be allowed one and one-half (1.5) hours for physical fitness each shift.*

#### *Change In Anniversary Dates For Vacation/Sick Leave Accruals*

*City will authorize Firefighter/Engineer Rogers L, Zaucha R, and Meier D. to have their anniversary dates recalculated based for relief firefighter hours worked prior to fulltime employment with the City for the sole purpose of applying such service to the future accrual of vacation and sick leave, and longevity premiums. This provision shall be effective July 1, 2009.*

#### *PERS 1959 Survivor Death Benefits/Fourth Level*

*City to contract with PERS as soon as practicable to provide the PERS 1959 Survivor Death Benefits/Fourth Level, with employee and City paying their statutory contributions.*

#### *SPECIAL STUDIES*

*The City shall request the Public Employees Retirement System (PERS), to conduct the following study with the express condition that such study is not intended to imply an City promise, or require the City to take any action whatsoever, other than convey the results of such study to the Union to be completed no later than June 30, 2010.*

*City agrees to conduct actuarial study on CalPERS Section 21428 Increased Industrial Disability Allowance to 75% of Final Compensation to be completed by June 30, 2010.*

#### *Employee Assistance Program*

*The City has established an Employee Assistance Program (EAP) and contributes an amount not to exceed \$5.75 per month per employee toward the cost for such City-determined program. Such a program provides counseling services for personal and family member problems related to marital/family relationship problems, alcohol or drug abuse, stress-related problems, depression and other types of psychological problems for employees of such referral and intervention.*

*No lay-offs will occur to Association members during the period the Cost Savings program is in effect.*

